



Fix a historic home, get a tax break

There are about 10,000 properties in the state eligible for the tax credit

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As anyone who has ever owned one would agree, maintaining a historic house is an expensive proposition. But a state tax-credit program geared for homeowners can help ease the financial burden.

And unlike another state tax credit that benefits developers, this one, called the historic homeowner tax credit, is not under the threat of a cutback due to the state budget deficit. The credit equals 20 percent of the cost of exterior maintenance and rehabilitation work, including painting, roof and gutter repairs and replacements, foundation and structural repairs, and work on exterior walls, porches, trim, windows, and doors. Architectural and engineering fees are also eligible.

Owners can take a maximum credit of \$2,000 in a single tax year, but unused credits can be carried over to future years, as long as the owner continues to live in the house and preserve its historic features. Only owner-occupied housing is eligible for the "homeowner" credit. Single-family houses and houses with one or two rental units are eligible for the full tax credit.

The homeowner credit is available to anyone who owns and lives in a historic house -- defined as one that is in a local historic district, is listed on the National Register of Historic Places, or is in a historic district listed on the National Register and contributes to the historic character of the district.

In Rhode Island, that includes much more than the stately residences of Benefit Street in Providence and the oceanfront "cottages" of Newport. The Rhode Island Historical Preservation and Heritage Commission, which administers the program, estimates there are close to 10,000 eligible properties in the state.

The tax credit was established in 1989, and from 1989 to 2000, the credit was worth 10 percent of the cost of the approved repairs. In 2001, the credit was doubled, to 20 percent. To date, credits have been approved for close to 700 projects in 30 communities across Rhode Island.

In Pawtuxet Village in Warwick, Donald and Stephanie Paton did a considerable amount of work on their 1902 Queen Anne house at 75 Spring Garden St. before they applied for a historic tax credit for a roof repair. Before they even moved in, about three years ago, they rewired the house, and they subsequently remodeled the kitchen, "trying to keep it in the style of the period," Donald Paton said.

"We would have still [done] what we did, but the tax credit was that little bit of reinforcement," Paton said. The couple have spent more than \$25,000 for eligible repairs, which will yield more than \$5,000 in tax savings.

Paton said it was "really easy" to apply for the tax credit. "All you've got to do is think a little," he said. "It's by no means onerous." Color photographs of the building before the work is performed are necessary, as well as receipts and canceled checks for the repairs.

Jonathan Stevens used to own Paton's house in Pawtuxet, and now, with his wife, Teresa, owns another historic house at 29 Windsor Rd. in Cranston's Edgewood neighborhood. Stevens works for U.S. Sen. Lincoln Chafee, at the senator's Newport office.

Stevens said his house, which was built in 1905, had been encased in vinyl siding, and its porch had been enclosed, during the energy crisis of the late 1970s. As a result, "it had lost a ton of its character," he said.

"I ripped out the vinyl to liberate the whole thing," Stevens said. The historically incorrect vinyl was replaced with clapboard siding. For Stevens, \$22,660 in eligible repairs will be rewarded with a \$4,532 tax credit.

Michelle Brodeur, a nurse-anesthetist at Kent Hospital and single mother of two boys, used the credit after having repairs done at her 1850 house in the Hill and Harbour district of East Greenwich. She has owned the house for about 10 years.

Exterior painting, replacement of a front door, new bulkhead doors, new support posts in the basement, and chimney repointing were included in the \$16,259 of eligible work, Brodeur said. Because replacement doors need to be in the correct historic style, they can be costly, she said. For instance, the new front door had to be custom made, and cost more than \$3,000. The bulkhead doors are also made of wood, not metal, and the strap hinges from the old bulkhead were reused on the new doors. "I tried to do everything right," she said.

Melissa Benedetti said she and her husband, Carl Benedetti, applied for a tax credit after having their 1900 Victorian house at 534 Fruit Hill Ave. in North Providence painted, for \$4,175, in 2004. The credit yielded them \$835 in tax savings.

"I really appreciated the credit," Benedetti said. "It's very expensive to own an old house. . . . It was in dire need of paint. At some point we're going to have to replace the entire heating system." She said "it was simple" to apply for the tax credit, and "the turnaround time was great. It was the easiest department I've ever worked with in the state."

Benedetti said she and her husband, who together have five children, love the space as well as the beauty of their historic home. Her husband grew up in the neighborhood, and he and his first wife, who died, had long admired the house, so it had sentimental value for the family.

"We're staying. We love it. You couldn't duplicate it for under a million," Benedetti said. "The woodwork alone is extraordinary."

Michelle Danser-Gries, an art director at Hasbro, lives at 553 Fruit Hill Ave. in North Providence. She and her husband, Thomas Gries, who have a 2-year-old, bought the 1900 Victorian house in 2002. They applied for a credit last year after an exterior paint job that also required the replacement of a good part of the house's cedar shingling. "That really does jack up the price," she said. The job cost \$11,300, but the young family will get a \$2,260 tax credit.

Like many owners, Danser-Gries said she and her husband love historic houses, despite the extra maintenance costs that go with them. "We preferred the character of the older houses," Danser-Gries said. "We were willing to put the money into it."

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[Your turn: Is a state incentive to help owners maintain the historic character of their homes important to you? Why?](#)

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